
Board of **Selectmen/School Committee/Finance Committee**
Minutes of Triboard Meeting
December 8, 2014

I. Call to Order/Roll Call

Chairman Kowalski called the Triboard Meeting of the Board of Selectmen, Finance Committee, and School Committee to order at 7:04 P.M. in the School Committee Room in the School Administration Building. Present from the Board of Selectmen: M. O'Donoghue-Y, P. Salafia-Y, A. Vispoli-Y. and D. Kowalski-Y,

Finance Committee Chair S. Jon Stumpf opened the meeting for the Finance Committee. Present from the Finance Committee: J. Marden-Y, M. Kruse-Y, L. Anderson-Y, E. Moffitt-Y, J. Barry, Jr.-Y, M. Arai, Y, B. Zahorik-Y, and S. Jon Stumpf-Y.

School Committee Chair Annie Gilbert opened the meeting for the School Committee. Present from the School Committee: P. Colby-Clements-Y, A. Gilbert-Y, D. Birnbach-Y, and J. Blumstein-Y.

Also present: Town Manager Reginald S. Stapczynski, Superintendent Marinel McGrath, Assistant Superintendent Paul Szymanski, Assistant Town Manager Steve Bucuzzo, Municipal Services Director Chris Cronin and Ed Ataide. The meeting was duly posted and cablecast live.

II. Opening Ceremonies/Moment of Silence/Pledge of Allegiance

Chairman Kowalski led the members in a moment of silence followed by the Pledge of Allegiance.

III. FY-2016 – FY2020 Capital Improvement Program (CIP)

After tonight's review of the CIP, Chairman Kowalski and the Board of Selectmen will meet on January 5th to discuss adoption of the Town Manager's Capital Improvement Program as well as strategy for funding future projects. The Town Manager said the Actuarial Report is available on the Town's website.

The Town Manager has already presented the CIP for 2016-2020 to the Board of Selectmen; tonight's presentation is an opportunity for the Finance and School Committees to ask questions. The capital fund requests will be discussed in more depth at future budget meetings.

The budget model is a simple view of how the Town's budget operates. The Town Manager's Recommended CIP totals \$13,616,000. The Town has a fiscal policy to allocate 2% of revenues for the CIP, but our annual request has never reached that mark coming in @ 1.5%. The list of projects funded from the General Fund Revenue were briefly reviewed and discussed. Members talked about the growth of health insurance and retirement obligations over the years that have chipped away at available operating budgets. It was asked what

Andover's benchmark is that we should be measuring ourselves towards, and what benchmark should the Town be moving towards.

The Town Manager will survey comparable communities to find out what percentage of their budgets is available for Capital Improvement Projects not covered in the Operating Budget.

A. Capital Projects

Practice has been to allocate a single dollar amount for General Fund items for schools for use towards buildings, textbooks, safety items, etc. \$1.1M has been allocated to the schools to use as they see fit.

IT3-Digital Records Pilot – Question: what square footage is needed for storage, what square footage will be freed up if new space allotted, keeping in mind a lot of paper is still required to be kept? Paul Puzzanghera, CIO of IT, said a study was done last year to determine space currently devoted to storage, and noted it would cost \$35,000 to have documents digitized.

General Fund Non-Exempt Projects total \$7,229,900 (debt model is used as a tool for guidance) and includes \$3.5M in school site improvements, \$1.6M for Town projects, and major Town projects totaling \$1.2M.

School Improvement Sites: West Elementary \$3.5M, South School \$3.1M, AHS site improvements are on hold until FY-2020.

Other improvements include the AHS Library renovations and the Park and Playstead Improvements.

Ed Ataide pointed out that site improvements that need to be corrected are safety issues and include the proposed design, traffic improvement issues, storm water drain improvements (mandated), reconfiguring bus loops, and parent drop off and pickup areas. Permits for site improvements are configured by square yard/area which trigger the cost threshold. Annie Gilbert said changing the behavior of parent drop-off would reduce some costs and any piece of the site work that can be addressed now should be looked at. Linn Anderson asked if Committee members can have a tour of Town Buildings and facilities similar to what they do for the schools each year.

Andover High School Library Project: Discussion on using funds from CIP account towards the library design which is typically 10-12% of the total project amount, and if the funding to complete the renovation could be approved at Town Meeting. Ideally, if we could find the money for the design, we could bypass that piece now and not have to appropriate that amount for FY-16. Ed Ataide does not feel we can meet the bidding time table now; have to determine what is appropriate from a timing perspective and when is it feasible to begin construction.

General Fund Exempt Projects:

Town Yard: An RFP will be submitted for purchase of private land and the Board of Selectmen may be taking this to Town Meeting in 2015.

Ballardvale Fire Station: In process of hiring architects with cost estimates to follow.

Early Childhood Center: Superintendent McGrath is meeting with Steve Ives on Thursday morning.

AHS Renovation/Expansion: Library renovation amount funding to be determined and alternate space for classrooms being investigated.

Non-Exempt and Debt Management Policy: The Debt Management Policies were developed years ago and are outlined on page 105 of the CIP Book. The Town Manager noted that item 3 of the Debt Management Policy states that the General Fund Debit will not exceed 10% of the General Fund Revenues. Today that would be \$4.8M for this year alone. The Town Manager will be reviewing a number of policies to see if they still work for us.

Page 110 of the CIP book for FY16-FY2020 provides information on DAT-Non Exempt Debt Projections from 2015 through 2024 that have been approved at Town Meeting, authorized but not yet borrowed. The proposed CIP for FY16 totals \$7,229,000 and the chart shows how the debt would play out over the course of five years.

IV. Strategy for Scheduling and Funding Future Capital Projects

The Town Manager presented the strategy for scheduling and funding future capital projects suggesting they look at using free cash for some of the projects as they come up (i.e. using free cash for Ledge Road landfill capping) by putting free cash into stabilization accounts to cover future capital projects (currently there is \$3M allocated for Ledge Road), and to consider appropriating annual tax levy (new growth) into a large project stabilization fund. Allocating more funds for the overall general fund budget reduces available funds for the Operating Budget. All elected bodies have to support all sources of funding considered and the Town Manager suggests projects be done in phases when possible. There is \$6M in the Stabilization Fund requiring a two-thirds vote to take out; when would we consider it to make sense to take out.

Special Dedicated Funds include \$1.9M of Chapter 90 funds for road work and the Cable TV fund. Paul Puzzanghera talked about laptops that will need to be replaced in FY19 per our policy, and that our system is ready to support 20,000 devices.

VIII. Adjournment

At 9:10 P.M. on a motion by Alex Vispoli and seconded by Paul Salafia, the Board of Selectmen voted 4-0 to adjourn from the Triboard Meeting. Roll call: A. Vispoli-Y, D. Kowalski-Y, M. O'Donoghue-Y, and P. Salafia-Y.

On a motion by Paula Colby-Clements, and seconded by Joel Blumstein, the School Committee voted 4-0 to adjourn from the Triboard Meeting. Roll call: A. Gilbert-Y, D. Birnbach-Y, P. Colby-Clements-Y, and J. Blumstein-Y.

On a motion by Linn Anderson and seconded by Margaret Kruse, the Finance Committee voted to adjourn the Triboard Meeting: J. Marden-Y, M. Kruse-Y, L. Anderson-Y, E. Moffitt-Y, J. Barry, Jr.-Y, M. Arai, Y, B. Zahorik-Y, and S. Jon Stumpf-Y.

Respectfully submitted,

Dee DeLorenzo
Recording Secretary

Documents: